

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0193-03  
Bill No.: Perfected HCS for HB 589  
Subject: Crimes and Punishment; Law Enforcement Officers and Agencies; Highway Patrol  
Type: Original  
Date: April 19, 2013

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Bill Summary: This proposal changes the laws regarding sex offender registration.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
General Revenue	(More than \$100,000)	(More than \$100,000)	(More than \$100,000)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(More than \$100,000)</b>	<b>(More than \$100,000)</b>	<b>(More than \$100,000)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Criminal Records	(\$128,459)	(\$9,123)	(\$9,350)
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(\$128,459)</b>	<b>(\$9,123)</b>	<b>(\$9,350)</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 10 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Federal Funds	(\$13,000)	(\$26,000)	(\$39,000)
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>(\$13,000)</b>	<b>(\$26,000)</b>	<b>(\$39,000)</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☒ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☒ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
<b>Local Government</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>	<b>\$0 or (Unknown)</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Department of Public Safety - Missouri Highway Patrol (MHP)** state they will require both contractor and in-house programming efforts to comply with HB 589. The following is a breakdown of these changes and the resulting cost and man-hours for the Patrol:

150 hours - Discovery and Design  
540 hours - Database Modifications and Reporting  
150 hours - Website Feed Modifications  
150 hours - Testing  
200 hours - Project Management

The Patrol estimates that approximately 1,190 ( $150 + 540 + 150 + 150 + 200 = 1,190$ ) consultant hours will be required at a rate of \$100 per hour ( $1,190 \times \$100 = \$119,000$ ). In addition, there will be an annual maintenance cost of approximately \$6,900.

The Patrol estimates that approximately 440 in-house development hours will be needed for sex offender website and registry modifications to include classification level on offender details page, removal of vehicle details page and picture history page, status of offender's term of incarceration, probation or parole, removal of temporary, work, and school addresses, online identifiers search, and to also create a separate registry to which only law enforcement agencies shall have access. The Patrol believes this impact can be absorbed.

The Criminal Justice Information Services Division states that certain sections are not compliant with the federal Sex Offender Registration and Notification Act (SORNA) and, therefore, would affect the Patrol's federal funds. The federal government would withhold ten percent of our Byrne funding which would be approximately \$13,000 per year based on current grants, but could potentially be much more based on future grants. And, they would withhold an additional ten percent for each year we remain noncompliant.

Initially, the Patrol would need to mail out offender packets to every registered sex offender in Missouri. Currently, there are approximately 14,000 individuals. Initial cost for printing, mailing, and disseminating the offender packets are as follows:

ASSUMPTION (continued)

MSHP Print Shop

Click charge \$.0043 per click (14,000 x 5 pages = 70,000)	\$300.00
Case of paper @ \$24 per case (5,000 sheets per case) (14,000 x 5/5,000 = 14)	\$336.00
9 x 12 manilla envelopes @ \$50 per case (500 per case) (14,000/500 = 28)	\$1,400.00
#10 envelope, plain \$8.08 per box (500 per box)	\$1,131.20
Labels for envelopes (1 x 2 5/8) Avery 5160 @ \$17.95 per box of 3,000 (14,000/3,000 = 5 boxes)	\$89.75

OA Mailing

Number 10 letter size envelope postage @ \$0.405 per item	\$5,670.00
Inserting charge \$0.038 for 5 inserts (14,000 envelopes)	<u>\$532.00</u>
Total initial cost:	\$9,458.95

After the initial mailing, packets would then be mailed as new offenders are required to register. In 2012, there were approximately 3,000 or 20 percent new offenders. Therefore, the ongoing costs associated with the offender packets is estimated at \$2,000 annually.

Officials at the **Department of Mental Health (DMH)** assume this proposal imposes significant new duties upon DMH that will result in an initial and on-going cost in excess of \$100,000. There are over 13,000 individuals on the sex offender registry now, all of whom could seek a risk assessment evaluation, either for classification or for removal from the registry. DMH will be required to develop a list of approved mental health professionals to conduct risk assessment evaluations, determine the cost of risk assessment evaluations, determine risk assessment evaluation instruments and annually assess for effectiveness, determine report formats, review all reports for quality assurance, remove from the approved list mental health professionals who fail to meet standards, monitor continuing education and other requirements for approved providers, monitor and track certain court filing timelines and report compliance to the court, and develop a filing and tracking system for all assessment reports. Given the numbers of individuals currently on the registry, and the number of new individuals added to the registry each year, these duties will be substantial.

The duties of and requirements for DMH imposed by this bill are very significant. Given the very quick turnaround required it is not possible to determine with accuracy the number of staff required for these additional duties. The fiscal impact will be an unknown cost greater than \$100,000.

RS:LR:OD

ASSUMPTION (continued)

In response to similar legislation filed this year, HB 535, officials from the **Department of Corrections (DOC)** stated Statutory Rape I and Statutory Sodomy I would become dangerous felonies, by legal definition, due to passage of this bill which would require offenders serving 85% of the sentence prior to eligibility for parole. This effect would take place after current sentences are served or over 12 years out and the additional time served would calculate to 93 offenders per year.

Statutory Rape I and Statutory Sodomy I are added to the offenses of forcible rape and forcible sodomy, due to passage of this bill which would require sentences to be served consecutive to other sentences. This effect would take place after current sentences are served or over 12 years out and the additional time served is an approximate increase of 7.9 years. This calculates to 864 offenders per year.

This proposal also increases penalties for several sex crimes when the offender had a prior conviction of incest with the victim. DOC receives few convictions for incest. Currently, the DOC cannot predict the number of new commitments which may result from the enhancement of the offense(s) outlined in this proposal. An increase in commitments depends on the utilization by prosecutors and the actual sentences imposed by the court.

If additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase in direct offender cost either through incarceration (FY12 average of \$17.059 per offender, per day, or an annual cost of \$6,227 per inmate) or through supervision provided by the Board of Probation and Parole (FY12 average of \$4.960 per offender, per day, or an annual cost of \$1,810 per offender).

In summary, supervision by the DOC through probation or incarceration would result in additional unknown costs to the department. Seventeen (17) persons would have to be incarcerated per each fiscal year to exceed \$100,000 annually. Due to the narrow scope of the enhancements of these crimes, it is assumed the impact would be less than \$100,000 per year for the DOC. Long term effect due to passage of this bill is expected to exceed \$100,000 per each fiscal year but the impact is beyond the scope of this fiscal note.

In response to similar legislation filed this year, HB 831, **DOC** stated the penalty provision component of this bill resulting in potential fiscal impact for DOC, is for a class A felony. The probability exists that offenders would be charged with a similar but more serious offense or that sentences may run concurrent to one another. Currently, the DOC cannot predict the number of new commitments which may result from the creation of the offense(s) outlined in this proposal. An increase in commitments depends on the utilization by prosecutors and the actual sentences imposed by the court.

ASSUMPTION (continued)

If additional persons are sentenced to the custody of the DOC due to the provisions of this legislation, the DOC will incur a corresponding increase in direct offender cost either through incarceration (FY12 average of \$17.059 per offender, per day, or an annual cost of \$6,227 per inmate) or through supervision provided by the Board of Probation and Parole (FY12 average of \$4.960 per offender, per day, or an annual cost of \$1,810 per offender).

In summary, supervision by the DOC through probation or incarceration would result in additional unknown costs to the department. Seventeen (17) persons would have to be incarcerated per each fiscal year to exceed \$100,000 annually. Due to the narrow scope of this new crime, it is assumed the impact would be less than \$100,000 per year for the DOC.

Truly Agreed to and Finally Passed SB 628 in 2012 removed part of Section 568.060. Within the language removed was subsection 3.(2) “A child dies as a result of injuries sustained from conduct chargeable pursuant to the provisions of this section, in which case the crime is a class A felony.” **Oversight** assumes this bill puts that provision back in statutes and therefore, would have no fiscal impact to DOC.

In response to similar legislation filed this year, HB 280, **DOC** stated passage of this proposal would result in certain sex offenders sentenced to DOC for longer incarceration periods and for serving sentences consecutively instead of concurrently. These years of incarceration would be served in addition to their current sentence and fiscal impact would occur after the scope of this fiscal note.

If persons are sentenced to the custody of the DOC for longer terms due to the provisions of this legislation, the DOC will incur a corresponding increase in direct offender cost through incarceration (FY12 average of \$17.059 per offender, per day, or an annual cost of \$6,227 per inmate).

In summary, the DOC states the impact of Perfected HB 589 would result in additional incarceration and probation expenses to their agency that would exceed \$100,000 annually.

In response to a similar proposal from this year (HB 462), officials from the **Boone County Sheriff's Office** stated there will be costs incurred for legal update training for two of our detectives responsible for administering our sex offender registry. Additional costs will be incurred for an increased caseload and time management if we become responsible for registering juvenile sex offenders as page 6 of the legislation indicates. Also, registration fees that are currently allowed to be collected by statute are unenforceable fees and therefore are not collected.

ASSUMPTION (continued)

Officials at the **Department of Insurance, Financial Institutions and Professional Registration** and the **Office of State Courts Administrator** each assume there is no fiscal impact to their organization from this proposal.

In response to a previous version of this proposal, officials at the **Office of Prosecution Services** assumes no fiscal impact from this proposal.

Officials from the **Department of Elementary and Secondary Education (DESE)** state there is no anticipated state cost to the foundation formula associated with this proposal. To the extent fine revenues exceed 2004-2005 collections, any increase in this money distributed to school districts increases the deduction in the foundation formula the following year. Therefore the affected districts will see an equal decrease in the amount of funding received through the formula the following year; unless the affected districts are hold-harmless, in which case the districts will not see a decrease in the amount of funding received through the formula (any increase in fine money distributed to the hold-harmless districts will simply be additional money). An increase in the deduction (all other factors remaining constant) reduces the cost to the state of funding the formula.

Officials at the **Department of Social Services - Division of Youth Services (DYS)** assume there is no fiscal impact from this proposal. DYS would assist youth in its care to meet the registration requirements. DYS has the capacity to absorb the processes into current case management functions. This statute does not appear to cause the Division to significantly change the practices. The Division would review current policies and likely provide a modest amount of training to ensure adherence by the agency to the statutory intent of this legislation.

Officials at the **Department of Social Services - Children's Division** stated there would be no fiscal impact.

In response to a previous version of this proposal, officials at the **Office of State Public Defender (SPD)** cannot assume that existing staff will provide effective representation for any new cases arising where indigent persons are faced with the penalties outlined in this proposal.

While the number of new cases (or cases with increased penalties) may be too few or uncertain to request additional funding for this specific bill, the SPD will continue to request sufficient appropriations to provide effective representation in all cases.

**Oversight** assumes the SPD can absorb the additional caseload that may result from this proposal.

ASSUMPTION (continued)

In response to similar legislation filed this year, HB 281, officials from the **Attorney General's Office** assumed that any potential costs arising from this proposal could be absorbed with existing resources.

In response to similar legislation filed this year, HB 281, officials from the **Boone County Sheriff's Department** and the **Springfield Police Department** each assumed the proposal would not have a fiscal impact on their organization.

In response to similar legislation filed this year, HB 280, officials from the **Parkway School District** assumed the proposal would not have a fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
<b>GENERAL REVENUE</b>			
<u>Costs</u> - Department of Mental Health			
Increased costs to administer the provisions in the bill	(More than \$100,000)	(More than \$100,000)	(More than \$100,000)
<u>Costs</u> - Department of Corrections			
Increased costs from incarceration / probation	(Could exceed \$100,000)	(Could exceed \$100,000)	(Could exceed \$100,000)
<b>ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND</b>	<b>(More than \$100,000)</b>	<b>(More than \$100,000)</b>	<b>(More than \$100,000)</b>
<b>CRIMINAL RECORDS</b>			
<u>Costs</u> - Missouri Highway Patrol			
System modifications / annual maintenance	(\$119,000)	(\$7,073)	(\$7,249)
<u>Costs</u> - mailing Offender Packets	(\$9,459)	(\$2,050)	(\$2,101)
<b>ESTIMATED NET EFFECT TO THE CRIMINAL RECORDS FUND</b>	<b>(\$128,459)</b>	<b>(\$9,123)</b>	<b>(\$9,350)</b>



<u>FISCAL IMPACT - State Government</u> (continued)	FY 2014 (10 Mo.)	FY 2015	FY 2016
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**FEDERAL FUNDS**

<u>Loss</u> - withhold of Byrne funding	<u>(\$13,000)</u>	<u>(\$26,000)</u>	<u>(\$39,000)</u>
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<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>	<b><u>(\$13,000)</u></b>	<b><u>(\$26,000)</u></b>	<b><u>(\$39,000)</u></b>
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<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
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**LOCAL POLITICAL SUBDIVISIONS**

<u>Costs</u> - Police Departments and/or Sheriffs Departments - training and other modifications to adhere to changes	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
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<b>ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS</b>	<b><u>\$0 or (Unknown)</u></b>	<b><u>\$0 or (Unknown)</u></b>	<b><u>\$0 or (Unknown)</u></b>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This bill changes the laws regarding sexual offender registration and classification.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Public Safety  
Department of Mental Health  
Department of Insurance, Financial Institutions and Professional Registration  
Department of Corrections  
Office of the State Courts Administrator  
Department of Social Services  
    Children's Division  
    Division of Youth Services  
Office of Prosecution Services  
Office of the State Public Defender  
Boone County Sheriff Department  
Office of Prosecution Services  
Parkway School District  
Office of Attorney General  
Springfield Police Department



Ross Strobe  
Acting Director  
April 19, 2013